ANNUAL REPORT 2003-04

Department of Health and Community Services

GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR

105-05451/

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Forward

Annual Report

It is my pleasure to present the 2003-04 Annual Report for the Department of Health and Community Services. There were many significant achievements this year in a broad range of programs and services affecting many Newfoundlanders and Labradorians.

In 2003-04 improving community-based services was a major focus for the department. The department engaged in intensive, province-wide consultations on mental health across the province. Over 800 individuals took part in the three month process and the findings have provided the basis for the current development of a mental health strategy. In addition, significant investments were made in the delivery of health and community services. Medical and diagnostic equipment including a new funding commitment for a Magnetic Resonance Imager (MRI) in Corner Brook and dialysis services for Carbonear and Gander were announced. Also, the department continued to move forward with the Early Childhood Development initiative and the Provincial Primary Health Care Renewal Framework.

In Newfoundland and Labrador we have a fundamentally good health care system. Increased demands, new technologies and treatments, and the changing needs of clients and patients present a challenging health care environment. As a government, we remain committed to build, improve and strengthen an already sound health care system.

As Minister of Health and Community Services, I fully recognize that government does not work alone in providing health and community services for the people of this province. I want to take this opportunity to thank all health services providers and volunteers in this province for their dedication and commitment in 2003-04. Health care is among the highest priorities for the Government of Newfoundland and Labrador. We will continue working with our partners in the health and community services system to offer programs and services that meet the needs of Newfoundlanders and Labradorians.

John Ottenheimer, M.H.A., Q.C.
Minister of Health and Community Services

Departmental Overview

VISION

For all Newfoundlanders and Labradorians to enjoy the best possible health and well-being.

MISSION

To provide quality health and community services to improve the health and well-being of individuals, families, and communities.

VALUES

Self-reliance, collaboration, social justice, equity, and fairness.

The Department of Health and Community Services provides a leadership role in health and community services program and policy development for Newfoundland and Labrador. This leadership role involves working with health professionals, health organizations and community groups to support citizens in maintaining and improving their health and well-being. The department has three lines of business to support its mandate.

Lines of Business

Policy and Program Development - Leading the development, planning, research and evaluation of provincial policies and programs to ensure that services are integrated and decisions are evidence-based.

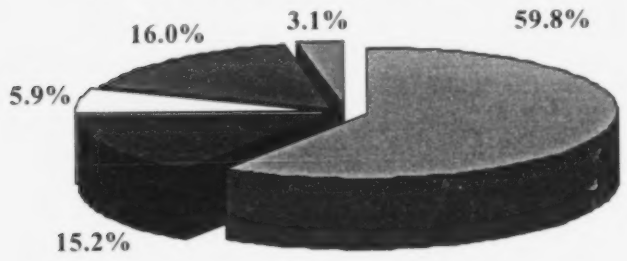
Support to Boards and Agencies - Providing direction and support to agencies and regional boards to deliver a continuum of programs and services to fulfill the department's mission.

Departmental Support Services - Maintaining organizational structures, functions and resources to fulfill the department's mission.

Departmental Structure

There are 273 staff in the Department of Health and Community Services with 236 located in St. John's and 37 located in Grand Falls-Windsor. The department is organized into six branches: medical services, board services, intergovernmental and strategic issues, policy and planning, community programs and wellness and support services.

Where Health Care Dollars Are Spent
2003-04
(Gross Expenditure of $1.7 Billion)



In the Health and Community Services system there are:

- 16 hospitals
- 18 health centres
- 21 nursing homes
- 13 nursing stations
- 106 community/clinical offices
- 1607 acute care beds
- 2757 nursing home beds

Data Source: Department of Health and Community Services

Institutional Service trends...

	2001-02	2002-03
Inpatient Hospitalizations	54,646	54,572
Same-day Surgery Visits	46,647	52,850

Data Source: Canadian Institute for Health Information

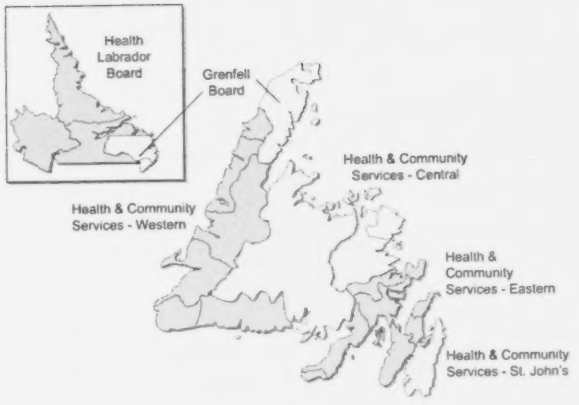
Health and Community Service trends ....

	Mar '03	Mar '04
Long Term Care (% occupancy)	96%	97%
Home Support (# clients served)	3277	3502

Data Source: Department of Health and Community Services

Shared Commitments

While the Department of Health and Community Services is responsible for policy development and setting provincial standards, the responsibility for one's health and well-being is a shared commitment. Numerous volunteers, health providers, agencies and multiple levels of government play an important role in this endeavour.


Health Labrador Board
Grenfell Board
Health & Community Services - Central
Health & Community Services - Western
Health & Community Services - Eastern
Health & Community Services - St. John's

The department delivers the majority of its publicly funded health services through 14 health boards which include eight institutional boards, four health and community services boards and two integrated boards. Both the Newfoundland Cancer Treatment and Research Foundation and the St. John's Nursing Home Board are considered to be institutional boards. Institutional boards govern services primarily provided by hospitals, nursing homes, nursing clinics and community health centers. Health and community service boards govern the provision of a wide range of community services such as health promotion, community corrections, health protection, child care services, mental health, intervention services, addiction services, community support programs, child-youth and family services, residential services and community health nursing. The two integrated boards offer the full range of services provided by both institutional and health and community service boards.

The Department of Health and Community Services staff provide support, direction and advice to health boards and agencies in their governance and delivery of health services. In addition, the department shares support and responsibility for some direct service delivery in areas such as ambulance services, family resource centers, prescription drug subsidies, dental subsidies and physician compensation.

The department recognizes the critical role volunteers play in the delivery of quality health and community services. People throughout the province serve in volunteer

capacities at all levels in the health system including giving freely of their time in hospitals and nursing homes, visiting and caring for sick friends and relatives and participating in various organizations, committees and boards.

Trustees of our regional health boards and agencies are also volunteers. They are local citizens who are appointed by the Minister of Health and Community Services for a specific period of time. Trustees are responsible for the overall governance - in consideration of specific regional challenges and government priorities – and for setting the strategic directions of their respective organization.

Partnerships and collaborative activities focussed towards health are evident across municipal, provincial and federal governments. There have been many new and ongoing collaborative projects over the past year aimed at increasing healthy behaviours, reducing child poverty and improving health services. These could not have been successfully implemented without the department's many partners. Some examples of these collaborative activities and joint projects included regional wellness coalitions, a teen tobacco team, family resource programs, a Task Force on OxyContin, an Atlantic health education/training planning study, a physician services liaison committee and regional, provincial and national partnering on primary health care.

Key Achievements and Priorities

There were a significant number of activities carried out in 2003-04 that contributed to the department fulfilling its mission and realizing its vision. The key achievements are described according to the following three priority areas: policy, programs and services; supports to health boards and agencies; and the overall sustainability and accountability of the system.

Policies, Programs and Services

The department places a high priority on health promotion and disease prevention with a balanced view towards the need to deliver quality services for treatment, rehabilitation and supportive services. Over the past year, the department addressed these issues through innovative policies and its many activities and new initiatives.

Children and Youth - The department continues to improve the services and outcomes for children and youth in this province. Current research confirms that the experiences children have in their first five years are crucially important and have a life-long effect.

In 2003-04 the Department of Health and Community Services implemented year three of the five year Stepping into the Future: Newfoundland and Labrador's Early Childhood Development (ECD) initiative. The department also continued to implement the provincial investments of the National Child Benefit (NCB) initiative. The expenditures for these initiatives in 2003-04 were approximately $14.3 million and both initiatives continue to support a range of services and programs for young children and their families, such as family resource programs and healthy baby clubs, child care services, and early intervention services for children with delay and developmental disabilities.

A number of the programs and services, mandated under the *Child, Youth and Family Services Act,* have been enhanced through research and training and are discussed below.

- In partnership with the health and community services boards, the department developed a Risk Management System to be used throughout the province with children in need of protective intervention and with their families. The system incorporates the best practice standards of child welfare in the country and an assessment instrument accepted nationally and internationally.

- The department contracted the Child Welfare League of Canada to offer a "Looking After Children Train the Trainer" course to social workers in the health and community services boards. This clinical approach, which the department and boards are working to implement with children and youth in

out of home placement, increases children's opportunity for successful outcomes.

- Training in the "Parent Resource for Information Development Education" (PRIDE) was offered, in partnership with health boards, throughout the province. PRIDE provides a standardized, consistent and structured framework to assess the competency of caregiver and adoptive applicants.

Under the *Child, Youth and Family Services Act* the following services were provided:

- 5,100 children, living in 3,900 families, were provided protective intervention services;
- 1,100 families with children or youth received supportive services; and
- 1,800 children and youth, due to concern for their safety, lived outside of their family's home.

Data Source: Department of Health and Community Services

A new *Adoptions Act* was proclaimed in April, 2003, and provides for a decentralization of adoptions and an open records system. A public information campaign was conducted to make adults who were adopted, and their birth parents, aware of the changes in the legislation. The changes permit vital statistics information to be released to them, but also protects their right to maintain their confidentiality through a veto provision.

The department worked with the Innu, federal and provincial government representatives and the Health Labrador Corporation regarding a number of initiatives, including the Innu Healing Strategy and delivery of child, youth and family services.

In 2003-04:

- 3,755 parents/caregivers and 4,660 children under the age of six received services provided by family resource programs;
- 1,460 subsidies per month on average were provided for low income families to access regulated child care;
- 4,884 regulated child care spaces were available as of March 2004;
- 94 children with autism were provided intensive early intervention;
- 25 new professional positions for early intervention were created in regional health boards;
- 30 front-line health board staff received specialized intervention training in autism.

Data Source: Department of Health and Community Services

In April 2003, the *Young Offenders Act* was replaced with the new *Youth Criminal Justice Act*. This federal legislation directs youth justice services in this province. Throughout 2003-04, the department engaged in a variety of activities to support the implementation of this new *Act*. One of the activities included hosting a two day provincial meeting focused on the impacts associated with the introduction and application of the new legislation. The attendees at the meetings included representatives from all sectors of the youth justice system. The outcomes of the meetings resulted in the development of an action plan that identified related policy and program implementation issues.

In keeping with the department's ongoing commitment to engage community agencies and the volunteer sector in the delivery of youth corrections services, the department:

- provided pilot project funding to the "Community Support Project" operated by the John Howard Society of Newfoundland which targets corrections clients within the St. John's Region who could benefit from enhanced support and supervision during the evenings and weekends;
- supported efforts to expand the number of communities with youth diversion programs that provide an alternative to court referral; and
- provided support for a provincial coordinating body - the Provincial Coalition of Youth Justice Committees - that represents volunteers with the youth diversion programs.

Because of the ongoing decline in the rates of admissions to open custody homes, in January 2004, the department was able to close two open custody group homes and reinvest the savings. The savings realized from these closures enabled the department to maintain the11.5 social work positions in the health and community service boards that were previously funded through federal sources.

Health Promotion - While provincial citizens report in surveys that they generally feel healthy, Newfoundlanders and Labradorians have the highest rate of diabetes and deaths due to circulatory disease in the country. Additionally, Newfoundlanders and Labradorians tend to rank high on behavioural risk factors of smoking, physical inactivity and unhealthy eating. To address these and other health concerns, the Provincial Wellness Advisory Council has identified a number of wellness priority areas including healthy living, healthy environments, mental health promotion, injury prevention, chronic disease prevention, health protection and child and youth development. In 2003-04, a Framework Document - Recommendations for a Provincial Wellness Strategy, and three supporting wellness papers - Healthy Living, Healthy Environments and Mental Health Promotion - were prepared and submitted to the department for consideration in ongoing and future wellness initiatives.

To improve the capacity of communities to support health and well-being and to promote individual and family healthy lifestyle choices, the department facilitated and supported the establishment of Regional Wellness Coalitions in each of the health and community services regions across the province. The Regional Wellness

Coalitions, built on the previous work and research findings of the former Regional Heart Health Coalitions, are comprised of partner groups, organizations and individuals interested in collaborating on common wellness issues.

Increasing physical activity and living an active lifestyle is an important part of healthy living. In partnership with Health Canada, the "Summer Active 2003" initiative was launched. It was comprised of several activities aimed at helping people improve their health and well-being by being more physically active.

Newfoundland and Labrador (NL) has significantly higher rates, as compared to Canada (CA), for:

- diabetes (NL 6.4%: CA 4.6%)[1];
- deaths due to all circulatory diseases (NL 319.7 per 100,000: CA 239.2 per 100,000)[2];
- people who are physically inactive (NL 53.4%: CA 46.9%)[3];
- heavy drinkers who have 5 or more drinks on one occasion, 12 or more times a year (NL 32.2%: CA 20.7%)[3];
- people who are overweight with a body mass index of 25.0-29.9 (NL 38.6%: CA 33.3%)[3]; and
- those who consume fruits and vegetables *less* than 5 times per day (NL 69.0%: CA 55.2%)[3].

[1]*Data source: Statistics Canada, Canadian Community Health Survey, 2003*

[2]*Data source: Statistics Canada, Vital Statistics, Death Database and Demography Division (population estimates, 1997)*

[3]*Data source: Statistics Canada, Canadian Community Health Survey, 2003*

Healthy eating is also a cornerstone of good health. Well-nourished individuals of all ages are better able to actively participate in their communities. To assist individuals to achieve nutritional well-being, the promotion of healthy eating was incorporated into many programs and services. Some examples include:

- Nutrition Labelling Tool Kit for Educators - This kit assisted people in the use of the new nutrition information found on labels and was distributed throughout the province. This was a joint initiative with Health Canada.
- Nutritious Food Basket - A nutritious food basket is a list of foods which can be priced to estimate the cost of healthy eating. It was costed in 2003-04 and the results were used to promote and support policies and programs which increase access to healthy foods.
- "Eat Well Play Well" - This was the 2004 Nutrition Month campaign slogan by which the community nutritionists and dieticians throughout the province promoted healthy eating to school aged children and youth.
- Ticker-Tom Program - The Ticker Tom Summer Program was implemented in all regions across the province and highlighted healthy eating, active living and smoke-free messages to children and youth. A Ticker Tom Valentine Activity used a Valentine's Day theme and was delivered to approximately 80

grade four classes across the province. A new "On the Move With Ticker Tom" program was also pilot tested in four after school sites in the St. John's region.

Decreasing smoking rates and the effects of tobacco are critical issues for improving health and reducing chronic disease. Tobacco is one of the leading causes of preventable illness, disability and premature deaths in Canada. The Department of Health and Community Services, in partnership with various provincial, regional and local stakeholders, have implemented a number of programs and initiatives aimed at reducing smoking and its effects. Some of these programs and initiatives include:

- Clear the Air - It's Ours to Share, Smoke-Free Spaces Activist Toolkit (CD-ROM) Pilot Project - The pilot project, implemented in nine schools throughout the province, features youth developing, implementing and evaluating action plans which promote and empower them to take action in creating smoke-free spaces in their schools, communities and homes.

- Grade 7 Tobacco Prevention Resource Kit - This project was launched by the Provincial Teen Tobacco Team in collaboration with the Department of Education. The resource aims to increase awareness among adolescents about the negative impacts of tobacco use and encourages young people to make safe and healthy lifestyle choices.

- Alliance for the Control of Tobacco (ACT) - Through funding and support from the department and our partnership with Health Canada, ACT implemented the "Second Hand Smoke – It Kills" mass media campaign. The goal of this campaign is to educate the public about the harmful effects of environmental tobacco smoke.

Tobacco use trends in NL.

- Overall, NL smoking rates for all ages have declined from 28.5% in 1999 to 24% in 2002. However, this is still higher than the CA average of 21%.

- Current smoking rates for youth, ages 15 - 19 years old, have declined from 29.5% in 1999 to 22.5% in 2002.

- For those between the ages of 20 – 24 years old, smoking rates continue to be high at 36%.

- In 2002, approximately 21% of NL children ages 0 – 11 years old were exposed to environmental tobacco smoke (second-hand smoke) at home, compared to 16% in CA.

Data source: Statistics Canada, Canadian Tobacco Use Monitoring Survey, 2002

Mental Health - Mental health service capacity and coordination has been a major issue of concern for a number of years in this province. The department has actively pursued improving mental health services in Newfoundland and Labrador. In

November 2003, the Minister of Health and Community Services announced the release of a discussion document, Working Together for Mental Health: A Proposed Mental Health Services Strategy for Newfoundland and Labrador. Consultations were held in 12 sites including Clarenville, Burin, Carbonear, Happy Valley Goose Bay, Nain, Labrador City, St. Anthony, Gander, Grand Falls-Windsor, Corner Brook, Stephenville and St. John's. At each site a series of five meetings were conducted. Numerous stakeholder groups participated in this process including consumers and families, mental health practioners, family doctors, health board managers and the community at large. Over 800 individuals took part in the three-month process. Also, in December 2003, the findings and recommendations of the Reid/Power Inquiry were released. The circumstances surrounding the tragic deaths of Mr. Power and Mr. Reid were thoroughly reviewed by Government. The Reid/Power Inquiry will serve to inform the development of the mental health services strategy as well which is expected to be completed in 2004-05.

Addictions - OxyContin abuse has emerged as a significant issue in this province. In December 2003, the Department of Health and Community Services, along with other government departments, established a task force to assess the extent of this abuse and developed a comprehensive plan to deal with the issue. In February 2004, an interim report of the Provincial Task Force confirmed the growing use and abuse of OxyContin in Newfoundland and Labrador. The task force made a number of short-term recommendations targeted towards educational awareness, tamper resistant prescription materials and continued accessibility to in-province addictions treatment.

Primary Health Care - In 2003-04, the Department of Health and Community Services, following an extensive public consultation, approved a provincial primary health care renewal framework, Moving Forward Together: Mobilizing Primary Health Care. This framework supports four goals: (1) enhanced access to, and sustainability of, primary health care, (2) an emphasis on self reliant and healthy citizens and communities, (3) promotion of a team-based, interdisciplinary and evidence-based approach to services provision and (4) enhanced accountability and satisfaction of health professionals. Provincial supports included the establishment of the Office of Primary Health Care, the Primary Health Care Advisory Council, linkages with local college and university programs and professional associations, and the development of provincial working groups to support learning/ problem-solving and provider capacity building. There has been progress in several areas of the Primary Health Care Framework that are outlined below.

- Seven proposals for interdisciplinary, team based, primary health care projects, six rural and one urban, were approved with the following dollars allocated in 2003-04:
    - St. Anthony - $306,400
    - Twillingate - $306,000
    - St. John's - $332,500
    - Bonne Bay - $358,900
    - Conniagre - $407,600
    - Bonavista - $25,000

- Labrador East - $25,300

- Each of these sites are working within the respective health boards to create the necessary changes for these proposals to be implemented.

- Linkages were made between the primary health care office and both the provincial wellness and mental health strategies in order to emphasize health promotion, disease and injury prevention and management of chronic diseases.

- Primary health care working groups were initiated to develop partnerships, processes and tools for:
  - scope of practice shifts which will allow the most appropriate health service provider to deliver the needed services;
  - physician payment models, with a resultant document which will be used for feedback and input into future discussions with family practice physicians; and
  - information management, with the initial focus on the electronic health record. (The primary health care office partnered with the Newfoundland and Labrador Center for Health Information to develop a needs assessment for a rural and urban evaluation of the electronic health record. There was also partnering with the Telehealth and Educational Technology Resource Agency (TETRA) and the Newfoundland Cancer Treatment and Research Foundation regarding tele-oncology capacity.)

- Agreements on two Atlantic projects were reached: "Building a Better Tomorrow Initiative" (BBTI) and "Self-care Telecare". The BBTI will support team and inter-professional development and change management in the project areas. A project manager was hired for the province to support this initiative. A needs assessment for 24/7 telephone advice service was also initiated through the Self-care Telecare project.

- External communications consultants were hired to develop and evaluate a public awareness campaign regarding primary health care.

- Evaluators were hired and have supported the project areas in developing evaluation techniques for each of the seven project areas.

- Several presentations, both provincially and nationally, were delivered to a number of groups. The presentation that was conducted at the Kingston Conference, in the Fall of 2003, was later incorporated into a book which examines primary health care across Canada.

Provincial Kidney Program - Based on the July 2003 report of the Provincial Renal Advisory Committee the provincial government has established a "Provincial Kidney Program" and appointed a full-time coordinator and a part-time medical

director. Satellite dialysis units are currently being developed in Carbonear and Gander, where dialysis caseloads are sufficient to sustain a service.

Infection Control - In September 2003, the department established a Provincial Task Force on the Prevention and Control of Communicable Diseases. The mandate was to review the province's preparedness, in health institutions and ambulance services, to prevent and control communicable diseases. This included an examination of our ability to meet the challenges created by new and emerging infectious diseases such as severe acute respiratory syndrome (SARS). The Task Force held 58 focus group discussions with over 500 representatives from the health care system, private and institutional ambulance staff, funeral home staff and emergency health staff and made recommendations for improving infection control practices.

Public Health Capacity - In September 2003, government established a Committee on Public Health Capacity with a mandate to review the recommendations of the Report of the National Advisory Committee on SARS and Public Health Capacity (The Naylor Report). The Committee was also asked to report on the implications of the report for Newfoundland and Labrador and on our own public health capacity to respond to such an event. The process included a survey of health professionals and focus group discussions that were held throughout the province. The report "Investing in Health - A Report on Public Health Capacity in Newfoundland and Labrador" summarized the findings on public health capacity and made recommendations for future actions to ensure health protection, injury prevention and protection of the population from existing and emerging communicable and chronic diseases.

Disease Surveillance - Newfoundland and Labrador participated in the national animal and human surveillance program for West Nile Virus infection, with emphasis on bird and mosquito surveillance as the precursors to human disease.

While animal rabies is not present on the island of Newfoundland, annual monitoring for rabies in wild and domestic animals continued in Labrador. The identification of rabies in a domestic cat in Western Newfoundland in early 2003, however, lead to enhanced surveillance for human and animal rabies and for vaccine programs to control (and eliminate) rabies on the island portion of the province.

The integrated Public Health Information System (iPHIS) developed by Health Canada was piloted in the provincial office and Eastern Region as a tool to optimize disease surveillance and case management. The pilot provided disease control staff with an opportunity to participate in and make recommendations for further enhancements to the system. The next step is to move forward with this new surveillance system so that it can be used throughout the province.

Other surveillance initiatives included participating at the provincial and regional levels in the Canadian Enteric Outbreak Surveillance Centre, and an enhanced surveillance for Norwalk-like virus related to outbreaks.

The department, in collaboration with other partners, continues to work towards preparedness to respond to catastrophic health emergencies such as pandemic influenza and bioterrorist events.

Immunization - The publicly-funded childhood and adult immunization programs continued to provide protection from vaccine preventable diseases to many people of this province. The percentage of children receiving vaccines continues to remain at a high level (90-97%), depending on the vaccine, ensuring effectiveness of these programs. In 2003-04, the demand for influenza vaccine uptake also increased to the highest level for the province with over 100,000 doses distributed versus 85,000 doses in 2002-03.

The availability of a new pneumococcal vaccine that could be given to children less than two years of age allowed the expansion of the pneumococcal immunization program for high risk individuals to be extended to include that age group. By March of 2004, a significant decrease in associated infections was noted in some of the high risk populations who received this vaccine.

Environmental Health - In partnership with stakeholders, the Environmental Health Program strives to promote health and quality of life by preventing or controlling injuries, diseases or deaths that result from interactions between people and the environment in which they live. The program: sets provincial standards, policies, guidelines; provides expert advice and consultation to stakeholders; and develops health promotion resources to support program areas such as food safety, drinking water quality, private sewage disposal, tobacco control, injury prevention, enteric disease investigation, institutional/recreational facility sanitation, emergency preparedness and human exposure to animal diseases.

During 2003-04, several new initiatives were carried out in the Environmental Health Program, which are described below.

- Drinking water awareness was the focus of province-wide information displays.
- Educational/promotional material, targeted towards operators of public swimming pools, was developed.
- Food safety was promoted through media appearances on television and the development of education packages for specific target groups.
- Food premises inspections were conducted at a frequency based on risk. This concluded the implementation phase of a risk based approach to food premises inspection.
- In collaboration with the Government Service Centre, the regional health and community services boards and the integrated health boards:
    - developed and/or renewed policies and standard health guidelines related to food premises and recreational facilities; and
    - initiated the development of a provincial food handler training program.

Supportive Services

Human Resource Planning - The Provincial Health and Community Services Human Resource Planning Steering Committee completed its final report on human resource planning in Fall 2003. The report summarized the committee's findings and provided key recommendations. Workforce forecasts were produced for 13 health occupations. In addition, the department participated on an Early Retirement Committee jointly chaired between Treasury Board Secretariat and the Newfoundland and Labrador Nurses' Union, reported on employer-based indicator trends, completed a workforce supply analysis for registered nurses and licensed practical nurses and completed overall workforce retirement projections. The department was also involved in an Atlantic Health Education/Training Planning study expected to conclude in March 2005. This project will allow the consolidation of human resource projections at the Atlantic level, permitting the four provinces to engage in joint training and education activities where opportunities exist.

Sustainability of the Workforce - In March 2003 an arbitrated award was reached with the Newfoundland and Labrador Medical Association that resulted in a three-year agreement being implemented in May 2003. The total value of the general compensation adjustments in the award was $54 million dollars over three years with a further $1.65 million for demographic and technology changes. The Memorandum of Agreement also makes provision for adjustments to be made for surpluses or deficits which may occur in the fee-for-service component of the allocation and to recognize increases or decreases in the number of fee-for-service physicians practicing in the province. The award was unique in that it included varying increases to different fee-for-service physician groups based on income comparisons to their Maritime peers, dedicated dollars to increase emergency department rates, a universal on-call payment policy and salary increases of 18 percent.

Retaining our Graduates - Continuing with the department's commitment to encourage graduating health professionals to work in this province, a number of bursaries were offered to various health professionals in exchange for their commitment to work in this province for a certain period of time. Thirty-seven awards – totalling $1.05 million – were granted in 2003-04 for physician and resident bursaries. In the allied health profession field $485,000 was expended. A total of 17 bursaries were awarded to students graduating from disciplines such as physiotherapy, occupational therapy, speech language pathology, audiology, clinical psychology and pharmacy. There were also 10 nurse practitioner bursaries awarded and approximately 50 nursing students availed of the Rural Student Nursing Incentive Program. Additionally, three scholarships were awarded by the department through the Scholarships for Graduate Program in the Health Administration Program.

Information Technology - Approximately $5 million in provincial funding was provided to further the Picture Archiving and Communications Systems (PACS) implementation in the province. This technology allows X-rays and Magnetic Resonance Imaging (MRI) scans to be stored and distributed electronically. The ability to move images electronically is a significant benefit, especially for residents

in remote and rural areas. This funding was allocated to Western Health Care Corporation, Health Care Corporation of St. John's and Health Labrador Corporation.

Medical and Diagnostic Equipment - Government invested $25.4 million in medical and diagnostic equipment in 2003-04; $24.9 million from the federal government as part of the 2003 First Ministers' Accord on Health Care Renewal and $0.5 million from provincial sources. The funding was allocated to purchase equipment such as X-ray units, ultrasound units, nuclear medicine equipment and a second Magnetic Resonance Imaging unit (MRI). MRI is a high technology diagnostic tool that can detect soft tissue problems and is very useful for in-depth diagnosis of conditions of the brain and spinal cord. Preparations are now underway for the establishment of the new MRI machine in Corner Brook.

A Computed Tomography (CT) Simulator was purchased for the Dr. H. Bliss Murphy Cancer Centre in St. John's through a generous gift from the "Power of Life Project" to the "Give to Feel Good Campaign" and matching funds from government. The CT Simulator is state-of-the-art technology which increases the accuracy of radiation therapy and reduces the risk of harming healthy tissue.

Over the three years of the "Give to Feel Good Campaign", Government has contributed $20 million dollars ($2 million in 2003-04) in an unprecedented 2:1 matching gift program. This campaign was one component of the "Millennium Fund" through which $30 million was advanced to health boards through 2:1 or 1:1 matching arrangements. These kinds of partnerships are vital to improving the overall health of Newfoundlanders and Labradorians and increasing access to necessary services.

Health Facilities - In August 2003, the new wing of the James Paton Memorial Hospital was opened. Included in the new wing are state-of-the-art operating rooms, intensive/coronary care units, emergency and outpatient departments and ancillary equipment and technology. In October 2003, the new Sir Thomas Roddick Hospital, in the Bay St. George area, was officially opened. The new hospital - which cost a total of $34.5 million to construct - contains 46 beds, a four-station haemodialysis unit, and offers services in general surgery, internal medicine, obstetrics/gynaecology, ophthalmology and mental health.

There was also an over-all investment of $3.0 million dollars made to address life safety issues in our health facilities. Projects included upgrades to fire alarm and sprinkler systems, replacement of domestic hot water systems, flooring replacement in nursing homes, fire escape upgrades, replacement of fuel tanks and boiler/chiller upgrades.

Government and Agency Relations - The department works closely with the Intergovernmental Affairs Secretariat and the Department of Labrador and Aboriginal Affairs in providing strategic support and coordination services for Federal/Provincial/Territorial (F/P/T) issues in relation to the health, social services and seniors sector.

Health reform has remained a high profile issue on the national agenda during the past year. Premiers, at their annual meeting in July 2003, continued to discuss the need for a sustainable health care funding partnership. The Council of the Federation, a partnership of provincial and territorial premiers, also met in February 2004 and committed to establishing a framework for health reform. The Council was created in December, 2003.

During 2003-04, the department continued to focus on implementation of the announcements from the First Ministers Meeting of September 2000, in relation to health care and early childhood development. As well, the department has initiated implementation of: the 2003 First Ministers' Accord on Health Care Renewal; the Framework for improving access to regulated early learning and child care programs; and services delivered by provinces and territories announced by Ministers responsible for Social Services in March, 2003.

This province has strong representation on several national initiatives launched in 2003-04 including the Canadian Patient Safety Institute, the Health Council of Canada and the Canadian Optimal Medication Prescribing and Utilization Service.

The province also partnered on a number of health system co-operative initiatives including work on both an Atlantic and national common drug review process, an Atlantic health promotion research and an Atlantic forum to share information on primary health care and wellness initiatives.

Additionally, the department, in conjunction with Health Labrador Corporation and the Department of Labrador and Aboriginal Affairs, continued to work with our Aboriginal partners. A number of meetings were held on a wide range of health issues, in particular on plans related to the devolution of health services.

Sustainability and Accountability

In 2003-04, financial pressures continued to impact Government. The Department of Health and Community Services remained focused on creating a quality and sustainable health system through efficiency and effectiveness measures. It is expected that this trend will continue for the foreseeable future.

The Newfoundland and Labrador Provincial Drug Program - 2.6 million prescriptions were filled for approximately 100,000 eligible residents at a total cost of $97 million.

Data Source: Department of Health and Community Services

Accountability Framework - Throughout 2003-04, the department continued its facilitation and implementation of government's accountability framework. The overall purpose of this framework is to provide useful, relevant information about government programs and services that enable departments and public bodies to make informed decisions that result in continuous improvements to service delivery. All health boards and some agencies were actively developing strategic plans in 2003-04. The Minister tabled annual reports of 17 public bodies in the House of Assembly.

Responding to Public Inquiries - The department responded to over 2600 inquiries through its departmental services inquiry officer in 2003-04. In the same fiscal period, the department received 14 freedom of information requests and 29 complaints investigation notices from the Office of the Citizen's Representative. Responses to freedom of information requests and complaint investigation notices are ongoing and a strong effort was made to deal with these requests in an efficient and comprehensive manner.

During 2003-04 work progressed on the development of a protocol between the Office of the Child and Youth Advocate, health boards and the Department of Health and Community Services. The purpose of this protocol is to clarify the roles and responsibilities of the parties involved to ensure that individual case and systemic reviews are conducted in an effective, efficient and comprehensive manner and that the lines of communication and information transfer are clear and understood by the parties.

Health Board Operational / Best Practices Reviews - Best practices and operational reviews were carried out to improve service delivery and to curtail deficits. An operational review of Health Labrador Corporation was conducted to identify organizational efficiencies and to increase effectiveness. A Best Practices Review was also initiated for Western Health Care Corporation and Grenfell Regional Health Services Board in order to achieve operational and clinical efficiencies. Recommendations will be brought forward in 2004-05.

Long Term Care and Supportive Services - The department is committed to implementing best practices and strategies to better integrate long term care and supportive services in the province. In October 2003, a consulting company was contracted to assist the department in understanding the current challenges in the system through the development of a number of discussion papers. These discussion documents will provide the department with information on: models of care, best practices, utilization and information management, best financial and clinical assessment and classification tools, key decision making metrics and opportunities to maximize current resources and initiatives. This work will be concluded in 2004-05.

During 2003-04, the department was also engaged in a home support review and a regulatory and structural review of the personal care home and community care home sector. In the 2003-04 budget, the department allotted $1.3 million for the personal care home sector.

The department continued to participate with Newfoundland and Labrador Housing Corporation on its Interdepartmental Committee on Supportive Housing. Progress was achieved related to the development of an interdepartmental framework to enhance the delivery of supportive housing to identified target groups through a collaborative approach.

Fiscal Stability of Regional Health Boards - During the fiscal year 2003-04, a small number of boards achieved balanced budgets, operated with a surplus and/or managed to make some payment toward their accumulated deficits. However, the overall regional health board system operated in a deficit position. As a result, the total accumulated operating deficit for the health system increased from $96.3 million (March 31, 2003) to $107.6 million (March 31, 2004). The integrated and health and community service boards incurred the largest proportion of this increase ($7.0 million of $11.3 million) primarily because of growth in the home support programs. The department continues to work with all health boards to address fiscal challenges in the health and community services system.

In 2003-04, the department provided boards with incremental funding for: inflation/utilization growth ($4.5 million), the cost of negotiated salary increases and increased costs resulting from pension plan changes. The department directed health boards to continue applying the emergency criteria for home supports in an effort to curb or minimize growth in the home support program.

There were improvements in financial accountability by the department and health boards. These were achieved through the enhancement of financial reporting systems and processes, improving the monitoring of activities within the department and by having the financial reports of boards submitted on a more timely basis. Progress was also made in the financial/statistical data availability and quality, which has strengthened evidence-based decision making by system stakeholders.

Opportunities and Challenges Ahead

The main challenges for Newfoundland and Labrador can be summarized into three broad areas including health status, demographic change and the quality, accessibility and sustainability of health services.

Health Status - Research continues to show Newfoundlanders and Labradorians have high levels of heart disease, certain cancers and diabetes. There are also high rates of smoking, drinking and poor nutritional habits. The challenge remains for the Department of Health and Community Services to continue developing innovative healthy public policies and healthy behaviour initiatives to encourage and support our citizens to lead healthier lifestyles.

Demographic Change

As in past years, the population of Newfoundland and Labrador continues to decline. Newfoundland and Labrador has a declining birth rate and has among the smallest percent of young people, under 25, in the country. In addition, we have an aging population. In terms of future health services, it is likely demands will increase for some services such as long term care. Adding to this challenge is the reality of an aging workforce.

Provincial Demographic Facts:

- Births in this province have declined sharply over the past 30 years. NL's median age had gone from 5 years lower than the CA average in 1971 to 1.4 years higher in 2003. This gap is expected to widen in the coming years as NL continues to age more rapidly than the rest of CA.
- NL's population of seniors is growing rapidly. The percentage of people 65+ has increased from 9.6% in 1991 to 12.6% in 2003.
- There has been a decline of 48%, from 1971 to 2003, in the population of young people under 25 years of age.

Data Source: Newfoundland and Labrador Statistics Agency

Quality, Accessibility and Sustainability of Health and Community Services - Maintaining quality health and community services in Newfoundland and Labrador is challenging, especially given the province's current financial situation and our vast geography. Further to this, federal transfer payments to provinces are lower than 1994-95, while the cost of sustaining quality health care has risen substantially.

Health Expenditures for 2001:

- The Government of Newfoundland and Labrador per capita health expenditure for 2001 was $2575 compared to the Canadian average of $2193.

Data Source: National Health Expenditure Trends, 1975-2003.

Provincial Demographic Facts:

- Approximately 520,000 people live in nearly 700 communities spread along 18,000 km of rugged coastline.
- NL has the lowest population density of all the provinces at 1.4 people per sq km. This is much lower than the CA average of 3.5 people per sq km.

Data Source: Newfoundland and Labrador Statistics Agency

Individuals and families requiring health services in Newfoundland and Labrador need access to some services 24 hours a day, seven days a week. However, this is often challenging given the vast geography of our province. An additional challenge is the difficulty of recruiting and retaining qualified health professionals to some rural areas.

Looking Ahead - The Department of Health and Community Services and the Government of Newfoundland and Labrador strives to meet the above challenges. One way to help deal with many of these challenges is to obtain new and sustained federal funding for health care. As was stated in the Romanow Commission Report (2002), health care in Canada is economically possible, but the status quo is "not an option." New and sustained funding is a must for the health of the system.

There are additional means of meeting the above-mentioned challenges, such as conducting a review of the health and community services system with particular emphasis on reducing the number of health boards, establishing a "best practices" culture, examining skill mix, and developing a health services plan. Planning steps have already been taken on a number of these new initiatives.

Financial Statements

Below is the 2003-04 summary of the Statement of Expenditure and Related Revenue (unaudited) for the Department of Health and Community Services. Expenditure and revenue figures (cash-based) are based on the Public Accounts.

	Actual (Unaudited) ($)	Amended ($)	Original ($)
Minister's Office (1.1.01)	***343,578***	***388,600***	***374,400***
General Administration (1.2.01 to 1.2.06)			
Total gross	13,979,280	14,317,600	13,997,900
Less revenue - federal	(92,860)	(92,400)	(92,400)
Less revenue - provincial	(262,650)	(300,000)	(300,000)
Total net	***13,623,770***	***13,925,200***	***13,605,500***
Memorial University Faculty of Medicine (2.1.01)	***21,753,175***	***21,753,200***	***21,088,100***
Drug Subsidization (2.2.01 to 2.2.03)	***98,384,796***	***98,386,700***	***97,356,000***
Medical Care Plan (2.3.01 to 2.3.03)			
Total gross	265,444,407	268,323,300	209,976,600
Less revenue - provincial	(1,145,831)	(1,270,000)	(1,270,000)
Total net	***264,298,576***	***267,053,300***	***208,706,600***
Emergency & Transportation Services (2.4.01)			
Total gross	15,036,132	15,118,100	10,083,100
Less revenue - provincial	(96,408)	(125,000)	(125,000)
Total net	***14,939,724***	***14,993,100***	***9,958,100***
Community Services (3.1.01 to 3.1.02)			
Total gross	252,846,806	253,050,500	253,235,900
Less revenue - federal	(3,632,878)	(3,476,000)	(3,476,000)
Less revenue - provincial	(786,310)	(1,050,000)	(1,050,000)
Total net	***248,427,618***	***248,524,500***	***248,709,900***
Health Facilities & Related Services (3.2.01 to 3.2.02)			
Total gross	949,399,287	949,594,800	951,139,700
Less revenue - federal	(977,087)	(3,362,300)	(3,362,300)
Less revenue - provincial	(11,767,754)	(10,800,000)	(10,800,000)
Total net	***936,654,446***	***935,432,500***	***936,977,400***
CAPITAL			
Health Care Facilities & Equipment (3.3.01 to 3.3.02)			
Total gross	45,494,178	46,082,500	46,164,100
Less revenue – federal	(24,910,046)	(25,500,000)	(25,500,000)
Total net	***20,584,132***	***20,582,500***	***20,664,100***
Total Department			
Total gross	1,662,681,639	1,667,015,300	1,603,415,800
Less revenue – federal	(29,612,871)	(32,430,700)	(32,430,700)
Less revenue – provincial	(14,058,953)	(13,545,000)	(13,545,000)
Total net	***1,619,009,815***	***1,621,039,600***	***1,557,440,100***